

How to...Implement a **GASB BI Solution** in Three Months (session code 0505)

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[Introduction:

- Who is LSI Consulting?
 - Since inception in 1998, has been synonymous with cost-effective SAP for Public Sector implementations.
 - Collaborated with SAP on the design and development of its Public Sector and Higher Education & Research solutions.
 - Created the GovOne™ solution for State and Local government organizations, utilizing SAP's Public Sector business application software.
 - GovOne™ is our flexible, templated accelerator that provides pre-configured system options & controls.
 - In addition to Finance, Procurement and HCM solutions, also provides multiple pre-defined BI datamodels for Public sector, including GASB & CAFR reporting.

[Agenda:

- Learning points that attendees will be able to take away.
- What is GASB reporting?
- Return on Investment
- Best practices
- Configuration in the Enterprise Central Component (ECC)
- Scope of the BI solution

[Learning points:

- Learning points that attendees will be able to take away:
 - How to standardize configuration in the Enterprise Central Component (ECC) to produce GASB financial statements.
 - How to design a GASB reporting solution in Netweaver BI.
 - The benefits of producing GASB Statements from Netweaver BI.
 - Key issues encountered in implementing this solution at a State University.
 - Impact on other Netweaver BI datamodels, and daily load management.

[What is GASB reporting?

- GASB Reporting refers to
 - Reporting according GASB (Government Accounting Standards Board) standards
 - Reporting required for all state and local government
 - Used by government, boards and bond investors
- GASB Reporting is
 - Equivalent to FASB for listed companies
 - More complex than FASB as it has more than one accounting basis (modified accrual and accrual)
 - Critical to determining the cost of government debt

[What is GASB reporting?

- GASB Statements Include
 - Statement of Changes in Net Assets (Balance Sheet)
 - Statement of Revenues and Expenditures and Changes in Fund Balances
 - Statement of Revenues and Expenditures and Changes in Fund Balances (Budget Vs. Actual)
 - Statement of Cash Flows
- GASB statements include data from multiple SAP modules
 - New General Ledger or Special Purpose Ledger
 - Funds Management with Budget Control system

[Return on Investment:

- Maximizes return from the data maintained in the Fund Accounting Ledger and Funds Management modules.
- Creates a single reporting solution to serve multiple reporting requirements in addition to GASB reporting.
- Automates the process of producing annual & monthly financial statements saving effort.
- Supports the Control process of identifying and correcting accounting errors for better data quality.
- Can be used for producing monthly financial statements if desired.

[Best practices:

- SAP Training Course TPSU10 (Public Services Academy) provides best configuration and master data practices for implementing and operating the SAP Public Sector solution.
- Adherence to these best practices is critical to reducing Total Cost of Ownership (TCO) and maximizing the Return on Investment.
- Without a best practice solution, customers will inevitably increase the effort involved in creating GASB Financial Statements.

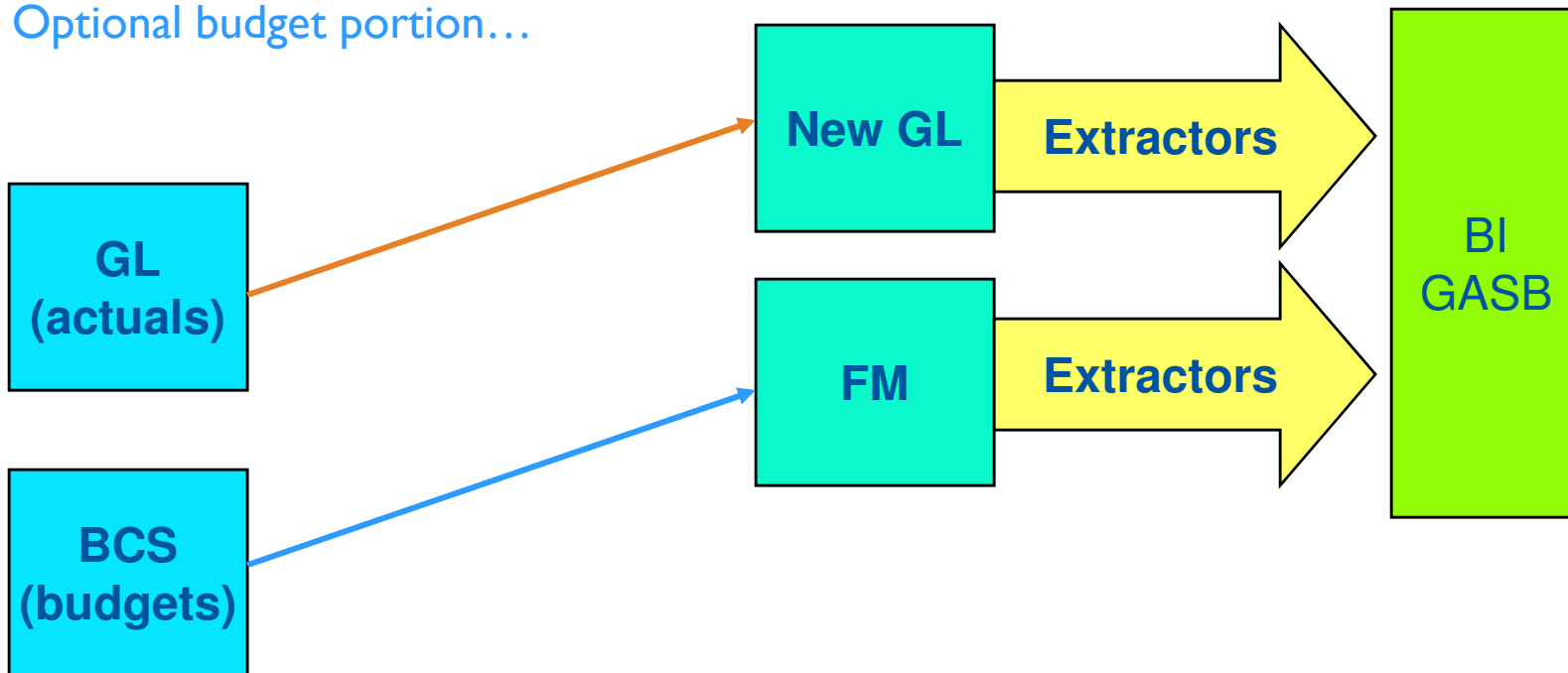
[Scope of Solution:

- The statements included in scope were:
 - Statement of Net Assets
 - Statement of Revenues, Expenses and Changes in Net Assets
 - Statement of Revenues, Expenses and Changes in Net Assets (Budget vs. Actual)
 - Statement of Cash Flows
- As the University reports as a business type activity under GASB 35, the statements are prepared on the accrual basis.

ECC Modules Involved in the BI GASB Solution..

Actuals

Optional budget portion...



[Purpose of SAP Modules

- New GL – Provides data for main financial statements
 - Statement of Net Assets
 - Statement of Revenues and Expenditures (not budget vs. actual)
 - Statement of Cash Flows
- FMBCS – Provides budget data for Revenue and Expenditure statements (budgetary vs. actual)

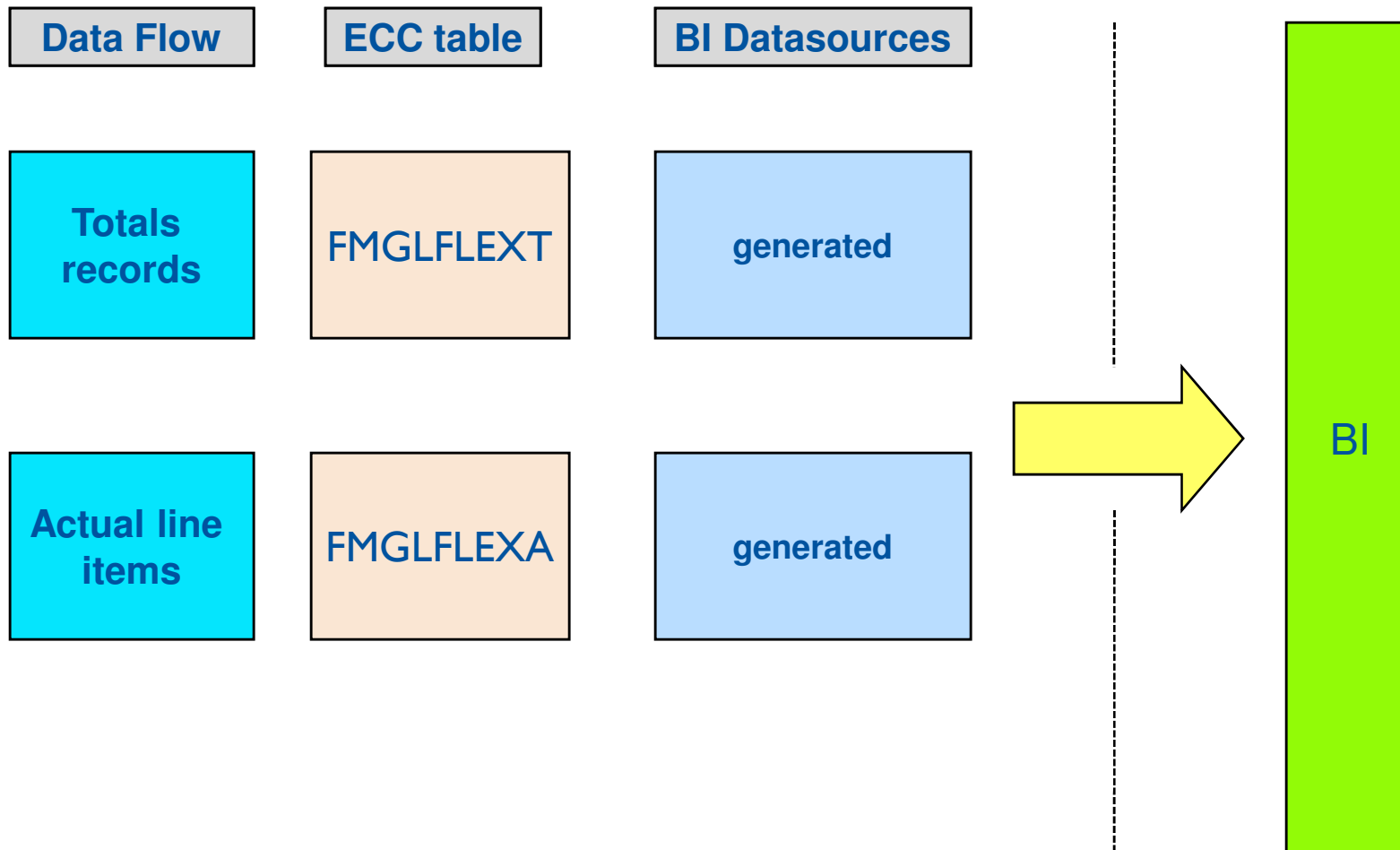
[Data and Configuration in New GL

- Master data must include Fund, Business Area (Organizational Unit) and Functional Area (Activity or Function).
- All data must be posted from FI.
- Balance Sheet line items must be split by Fund and Business Area.
- CO Data must be posted through FI-CO reconciliation posting (online CO integration in New GL) and balanced by Fund and Business Area.
- Revenue and Expenditure line items must be split by Fund, Business Area and Functional Area.

[Data Sources in New GL

- Line Item Table FMGLFLEXA (New GL) or ZZSPLITA (SPL) are used in the GASB solution.
- Carry forward data is extracted from total table FMGLFLEXT (New GL) or ZZSPLITT (SPL) and loaded using a generated datasource. [also look at OSS notes 906531, 1153944, 1153947].
- Delta extraction is possible.

ECC tables & BI datasources involved in the BI New GL datamodel solution..



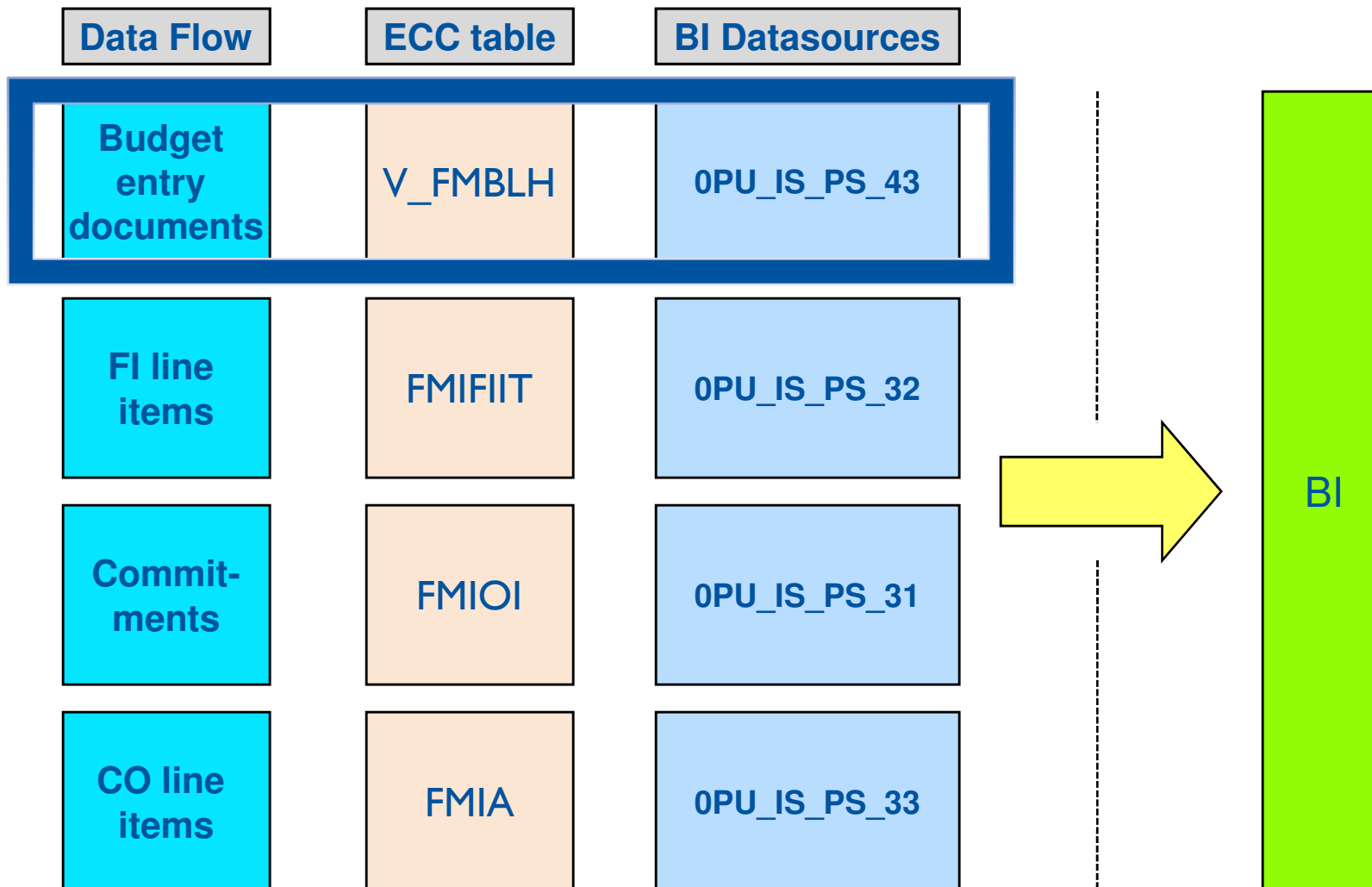
[Data and Configuration in FMBCS

- Master data must include Fund, Business Area (organizational unit) and Functional Area (activity or function)
- Budget data must be maintained through BCS or Former Budgeting
- Commitments and Actuals data must be transferred from FI, CO, MM, etc.
- Update of data in FM must be configured according to the budgetary basis (Invoice Basis or Payment Basis).
- Period Based Encumbrance Tracking must be active.

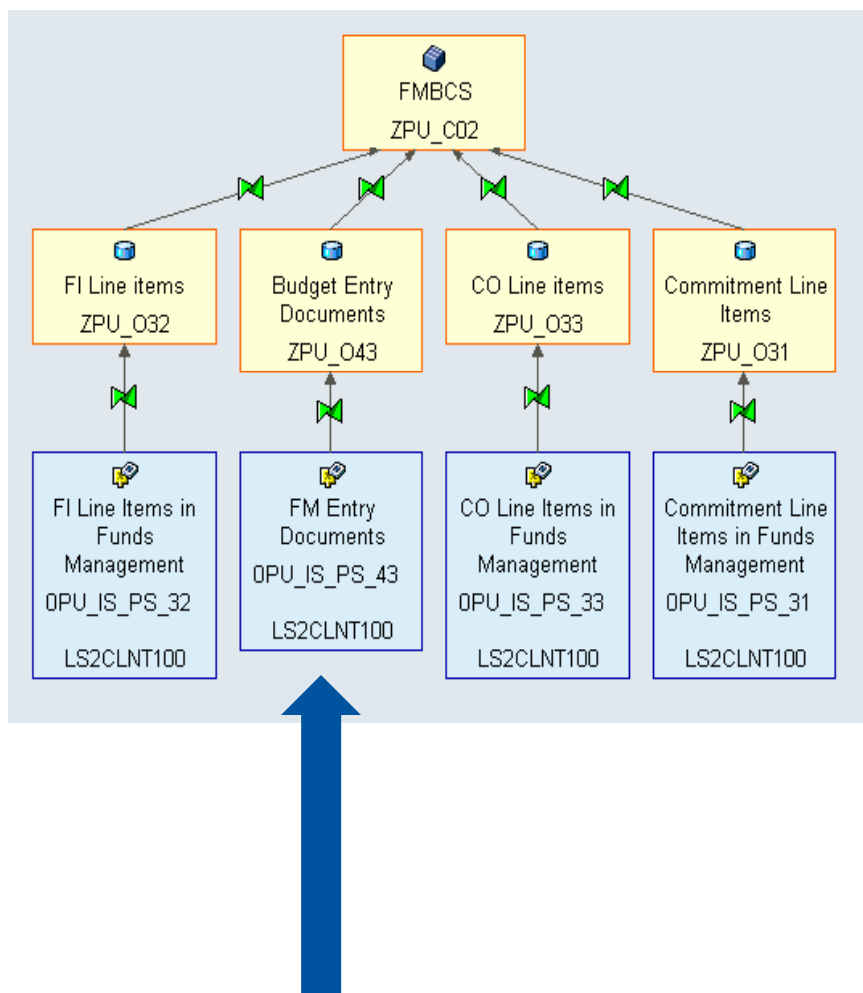
[Data Sources in FMBCS

- Budget line item data is available in V_FMBLH (Budget Control System) or BPEJ (former budgeting).
- Commitments line items are in FMIOI.
- Line items transferred from FI are in FMIFIIT.
- Line items transferred from CO are in FMIA.
- Standard extractors are available - delta update is possible.

ECC tables & BI datasources involved in the BI FMBCS datamodel solution..

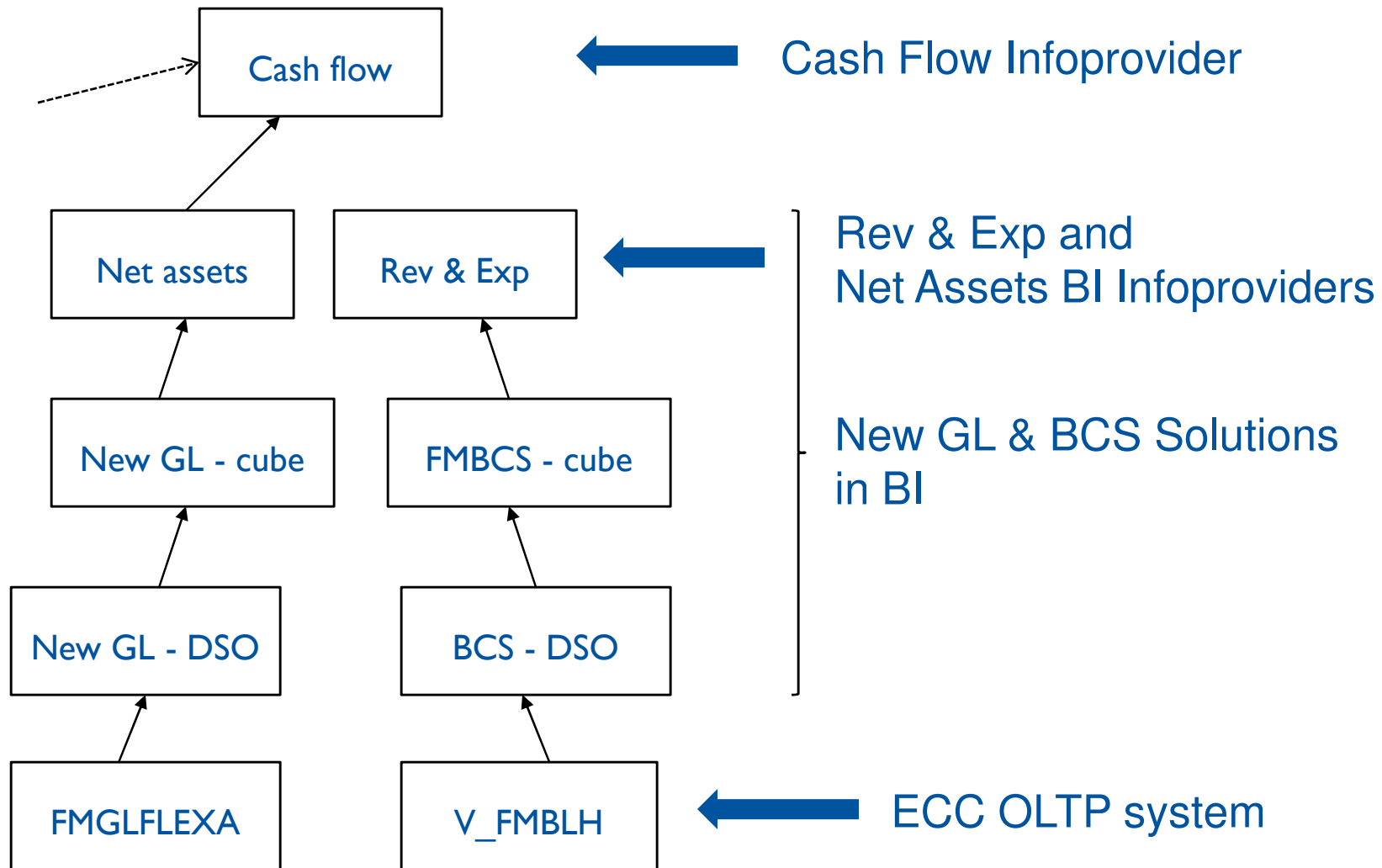


FMBCS Datamodel, transformations and flow in BI:



- GovOne solutions
 - FMBCS
 - ODSO ZPU_031 -> CUBE ZPU_C02
 - Commitment Line Items
 - RSDS OPU_IS_PS_31 LS2CLNT100 -> ODSO ZPU_031
 - Commitment Line Items in Funds Management
 - Data Transfer Processes
 - OPU_IS_PS_31 / LS2CLNT100 -> ZPU_031
 - ODSO ZPU_032 -> CUBE ZPU_C02
 - FI Line items
 - RSDS OPU_IS_PS_32 LS2CLNT100 -> ODSO ZPU_032
 - FI Line Items in Funds Management
 - Data Transfer Processes
 - OPU_IS_PS_32 / LS2CLNT100 -> ZPU_032
 - ODSO ZPU_033 -> CUBE ZPU_C02
 - CO Line items
 - RSDS OPU_IS_PS_33 LS2CLNT100 -> ODSO ZPU_033
 - CO Line Items in Funds Management
 - Data Transfer Processes
 - OPU_IS_PS_33 / LS2CLNT100 -> ZPU_033
 - ODSO ZPU_043 -> CUBE ZPU_C02
 - Budget Entry Documents
 - RSDS OPU_IS_PS_43 LS2CLNT100 -> ODSO ZPU_043
 - FM Entry Documents (BCS)
 - Data Transfer Processes
 - OPU_IS_PS_43 / LS2CLNT100 -> ZPU_043
 - Data Transfer Processes
 - ZPU_031 -> ZPU_C02
 - ZPU_032 -> ZPU_C02
 - ZPU_033 -> ZPU_C02
 - ZPU_043 -> ZPU_C02
 - Budget Entry Documents
 - CO Line items
 - Commitment Line Items
 - FI Line items

GASB Data Flow in BI



Example Rules for Calculating Key Figures

Gifts and grants received for other than capital purposes:

Gifts received for endowment purposes

24,335,856

Gifts received for other purposes

30,353,351

Key Figure NCFOTHGIFT

CUBE UPDATE RULE	<pre> If COMM_STRUCTURE-fund between '0210000000' and '0219999999' and (COMM_STRUCTURE-fund <> '0213804500' and COMM_STRUCTURE-fund <> '0213465100') and (COMM_STRUCTURE-gl_account = '0000420201' or COMM_STRUCTURE-gl_account = '0000422203') . RESULT = -1 * COMM_STRUCTURE-balance elseif COMM_STRUCTURE-fund between '0710000000' and '0759999999' and (COMM_STRUCTURE-gl_account = '0000420201' or COMM_STRUCTURE-gl_account = '0000422203') . RESULT = -1 * COMM_STRUCTURE-balance . Endif. </pre>
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[GASB Data Refresh Strategy

- Depends on BW Release (3.5 or 7.0)
- In BW 3.5, you only get one Initialize...
 - An Operational Data Store (ODS) can send a delta update only to one cube
 - If the ODS is already updating a cube full updates are needed for GASB infoproviders
- In NW7BI, data movement from the DSO is handled by the Data Transfer Process (DTP)...
- DTP can handle separate delta criteria into different data targets. For Example
 - ODS 1 -- Daily Load --> Cube A
 - ODS 1 -- Monthly Load --> Cube B
- Therefore in NW7BI you can use delta update from the DSO to cube, for improved refresh times..

Reporting Using BEX Analyzer in Excel Format

	A	B	C	D
1	Consolidated Statement of Net Assets			
2				
3	Value type			
4	Structure			
5	Net Assets			
6				
7	Chart of accounts	University of Kentucky Chart of Accounts		
8	Company code	Kentucky Medical Services		
9	Fiscal Year Variant	July - June, 4 special periods		
10	FM area	University of Kentucky		
11				
12		2006 Prior Year	2007 Current Year	Change
13	ASSETS	\$0.00	\$0.00	\$0.00
14	▼ Current Assets	\$0.00	\$0.00	\$0.00
15	Cash and cash equivalents	\$0.00	\$0.00	\$0.00
16	Notes, loans and AVR net	\$ 381,826.79	\$ 67,434,812.38	\$ 67,052,985.59
17	Investments	-\$ 8,400,692.24	\$0.00	\$ 8,400,692.24
18	Inventories and other	\$ 4,106,256.92	-\$ 1,130,701.04	-\$ 5,236,957.96
19	Total Current Assets	-\$ 3,912,608.53	\$ 66,304,111.34	\$ 70,216,719.87
20	▼ Noncurrent Assets	\$0.00	\$0.00	\$0.00
21	Restricted cash and cash equivalents	\$0.00	\$0.00	\$0.00
22	Endowment investments	\$0.00	\$0.00	\$0.00
23	Other long-term investments	\$ 1,588,798.93	-\$ 9,418.69	-\$ 1,598,217.62
24	Notes, loans and account receivable	\$0.00	\$0.00	\$0.00
25	Other Noncurrent assets	\$0.00	\$0.00	\$0.00
26	Capital assets, net	\$ 2,354,757.01	\$ 5,000.00	-\$ 2,349,757.01
27	Total noncurrent assets	\$ 3,943,555.94	-\$ 4,418.69	-\$ 3,947,974.63
28	Total Assets	\$ 30,947.41	\$ 66,299,692.65	\$ 66,268,745.24
29	LIABILITIES	\$0.00	\$0.00	\$0.00
30	▼ Current Liabilities	\$0.00	\$0.00	\$0.00
31	Accounts payable and accrued liabilities	\$ 2,403,845.64	\$ 8,368,168.78	\$ 5,964,343.14
32	Deferred Revenues	\$0.00	\$0.00	\$0.00
33	Long term liabilities - current portion	\$ 492,308.50	-\$ 121,064.12	-\$ 613,372.62
34	Total current liabilities	\$ 2,896,154.14	\$ 8,267,124.66	\$ 5,370,970.52
35	▼ Noncurrent Liabilities	\$0.00	\$0.00	\$0.00
36	Long-term liabilities	\$ 451,846.61	\$0.00	-\$ 451,846.61
37	Total liabilities	\$ 3,348,000.75	\$ 8,267,124.66	\$ 4,919,123.91
38	Invested in capital assets, net of related debt	\$0.00	\$0.00	\$0.00
39	Restricted	\$0.00	\$0.00	\$0.00
40	Nonexpendable	\$0.00	\$0.00	\$0.00
41	Scholarships and fellowships (non-expendable)	\$0.00	\$0.00	\$0.00
42	Research (non-expendable)	\$0.00	\$0.00	\$0.00
43	Instruction (restricted, non-expendable)	\$0.00	\$0.00	\$0.00
44	Academic support (restricted, non-expendable)	\$0.00	\$0.00	\$0.00
45	Other net assets	\$0.00	\$0.00	\$0.00
46	Total restricted nonexpendable	\$0.00	\$0.00	\$0.00
47	Expendable (See notes 10)	\$0.00	\$0.00	\$0.00

Selection screen

Report Layout

Reporting Using Bex Analyzer in Web Format

Selection screen

Variables for Ad-Hoc Report

Fiscal Period/Year (*)

Business Area = Include

Consolidated Statement of Net Assets

Data Analysis | Graphical display | Information

Validity of Data: 11/21/2006 03:00:32

Rows	2005 Prior Year	2006 Current Year	Change
ASSETS	\$ 0.00	\$ 0.00	\$ 0.00
▼ Current Assets	\$ 0.00	\$ 0.00	\$ 0.00
Cash and cash equivalents	\$ 0.00	\$ 0.00	\$ 0.00
Notes, loans and A/R net	\$ 18,766,686.81	\$ -5,121,077.37	\$ -23,887,764.18
Investments	\$ 27,426,507.16	\$ 0.00	\$ -27,426,507.16
Inventories and other	\$ 0.00	\$ 0.00	\$ 0.00
Total Current Assets	\$ 46,193,193.97	\$ -5,121,077.37	\$ -51,314,271.34
▼ Noncurrent Assets	\$ 0.00	\$ 0.00	\$ 0.00
Restricted cash and cash equivalents	\$ 0.00	\$ 0.00	\$ 0.00
Endowment investments	\$ 0.00	\$ 0.00	\$ 0.00
Other long-term investments	\$ 25,068,615.25	\$ -1,313,857.17	\$ -26,382,472.42
Notes, loans and account receivable	\$ 400,000.00	\$ 0.00	\$ -400,000.00
Other Noncurrent assets	\$ 0.00	\$ 0.00	\$ 0.00
Capital assets, net	\$ 13,617,977.13	\$ 0.00	\$ -13,617,977.13
Total noncurrent assets	\$ 39,086,592.38	\$ -1,313,857.17	\$ -40,400,449.55
Total Assets	\$ 85,279,786.35	\$ -6,434,934.54	\$ -91,714,720.89
LIABILITIES	\$ 0.00	\$ 0.00	\$ 0.00
▼ Current Liabilities	\$ 0.00	\$ 0.00	\$ 0.00
Accounts payable and accrued liabilities	\$ 9,374,450.03	\$ -8,987,055.47	\$ -18,361,505.50
Deferred Revenues	\$ 0.00	\$ 0.00	\$ 0.00
Long term liabilities - current portion	\$ 2,691,933.98	\$ 0.00	\$ -2,691,933.98
Total current liabilities	\$ 12,066,384.01	\$ -8,987,055.47	\$ -21,053,439.48
▼ Noncurrent Liabilities	\$ 0.00	\$ 0.00	\$ 0.00
Long-term liabilities	\$ 12,783,397.54	\$ 0.00	\$ -12,783,397.54
Total liabilities	\$ 24,849,781.55	\$ -8,987,055.47	\$ -33,836,837.02

Row 1 / 50

Report Layout

[Benefits/ROI

- Using operational reporting solutions as building blocks reduces Total Cost of Ownership (TCO)
- Use of line item tables provided full audit trail for investigation of errors
- BI solution allows production of GASB Financial statements to be fully automated
- Statements can be generated and reviewed frequently
- Frequent review improves data integrity

[Lessons Learned

- Master data (especially GL Account) structure must be designed with GASB reporting in mind
- Rules code can be reduced by creating master data groups (user-maintained)
- Decide the level of detail required in the beginning
 - Users want to drill-down to SPL and FM Line Items
- Do not assume that the average user knows financial data
 - Need training on data in SAP and their interpretation

[Lessons Learned (cont'd)

- Understand the differences in update between New GL / Special Purpose Ledger [SPL], and Funds Management [FM].
 - Will all expenses that update SL also update FM?
 - At what point will expenses be recorded in FM? (GR/IR Update Configuration)
- The ECC FI Consultant should help clarify the update process
- Financial Statements Accountant must work directly with the BI consultant.
- BI GASB design must be developed by a BI consultant with a Public Sector financials background.

[Key Learning points..

- Configuration in the Enterprise Central Component (ECC) must correspond to best public sector practice to produce GASB financial statements.
- GASB reporting in BI must use New GL or SPL and FM tables.
- Production of GASB Statements from BI provides the lowest TCO and greatest benefit.
- The Financial Statements Accountant and a Public Sector Experienced BI Consultant are necessary for successful implementation.

Thank you for participating.

Please remember to complete and return your evaluation form following this session.

For ongoing education on this area of focus, visit the Year-Round Community page at www.asug.com/yrcc

SESSION CODE: 0505